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IN THE

Supreme Court of the United States

OCTOBER TERM, 1978

No. 78-692

PRO ARTS, INC. and STOP AND SHOP COMPANIES, INC.,

Petitioners,

—v.—

FACTORS ETC., INC. and BOXCAR ENTERPRISES, INC.,

Respondents.

PETITION FOR A WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE SECOND CIRCUIT

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PRO ARTS, INC. and STOP AND SHOP COMPANIES, INC.,

Petitioners,

—v.—

FACTORS ETC., INC. and BOXCAR ENTERPRISES, INC.,

Respondents.

PETITION FOR A WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE SECOND CIRCUIT

Petitioners respectfully pray that a Writ of Certiorari issue to review a judgment of the United States Court of Appeals for the Second Circuit, which affirmed an order of the United States District Court for the Southern District of New York enjoining Petitioners from manufacturing, selling, or distributing (1) any and all posters, reproductions, or copies identical or similar to the poster more particularly identified as "In Memory . . . 1935-1977", (2) any other posters, reproductions or copies containing any image, picture, or likeness of the late Elvis Presley, and (3) utilizing for commercial profit in any form whatsoever the name, image, photograph, or likeness of the late Elvis Presley other than pursuant to an agreement approved by plaintiffs.

The writ herein is sought on the ground that the injunction issued against the production and utilization by Petitioners of posters or any other form of an image, photograph or likeness of the late Elvis Presley constitutes an impermissible and overbroad prior restraint on the freedom of expression of a communications medium and violates the First Amendment. The case raises novel questions of constitutional law of fundamental importance to the communications industries, to the arts and to the public.

Opinions Below

The opinion of the United States District Court for the Southern District of New York granting a preliminary injunction, is reported at 444 F. Supp. 288 and is reprinted in Appendix A.* The opinion of the Court of Appeals is reported at 579 F.2d 215 and is reprinted in Appendix C.

Jurisdiction of This Court

The judgment of the Court of Appeals was entered on June 27, 1978 and is set forth in Appendix D. The jurisdiction of this Court is invoked pursuant to 28 USC §1254 (1). By order dated September 5th, 1978 Mr. Justice Powell extended Petitioners' time to file this petition until October 25, 1978. (Appendix E).

* References to the appendices herein are prefaced with the appendix letter followed by the page number (e.g. A12, B15). Page references followed by the suffix "a" are to the appendix on the appeal to the Second Circuit.

Constitutional Provisions

The constitutional provisions relied upon are Amendments I and XIV of the Constitution of the United States. (Appendix F).

Questions Presented

1. Whether the First Amendment permits a prior restraint upon a copyright proprietor from distributing a newspaper photograph of a recently deceased public figure in the form of a poster, which poster communicates a message to his millions of devoted followers?

2. Whether the injunction entered below, which prohibits all utilization for commercial profit, in any manner or form, of the name, image, photograph or likeness of Elvis Presley, is impermissibly overbroad under the First Amendment?

Statement of the Case

The Origin, Copyrighting and Distribution of the Poster.

Elvis Presley, the famous popular singer and universally recognized personality and public figure, died suddenly on August 16, 1977, at the relatively young age of 42. (C-3).

The next day, an enlarged color photograph of Presley appeared on the front page of the *Atlanta Journal*, a Georgia based daily newspaper, bearing the name "Elvis Presley" and the legend "1935-1977". The photograph had been taken several years earlier by a staff photographer for the *Atlanta Journal* at one of Presley's many public

concerts.* Thereafter, Petitioner Pro Arts, Inc. ("Pro Arts"), purchased all rights to said photograph and published and made it into a color poster (A-140a, 162a, 177a) reproduced at Appendix G. The words, "In Memory", were superimposed in bold white letters on the upper portion of the poster and the years of Presley's birth and death, "1935-1977," as in the newspaper photograph, appeared on its lower portion. Presley's name did not appear on the poster, unlike the newspaper photograph.

Pro Arts filed an application for registration of copyright for the poster. A copyright was granted by the United States Copyright Office on August 30, 1977 (Registration No. K125,341).**

Petitioner Stop and Shop Companies, Inc. merely sold the poster.

The Claims Asserted by Respondents Factors and Boxcar.

Respondents' alleged right to enjoin the dissemination of Petitioners' poster is based on the alleged facts that Respondent Boxcar had an exclusive license to use the

* Neither the estate of Elvis Presley nor Respondents have ever objected to the publication of the photograph in the *Atlanta Journal*. Nor did they object when, after Presley's death, newspapers all across the country began marketing a 16-page, rotogravure-produced magazine section, the cover of which consisted of a full page color portrait of Presley and the words "Elvis", "1935", and "1977" superimposed thereon. See *Newspapers Cash-In on Elvis's Death, Editor & Publisher*, August 27, 1977, at page 9, which reported that as of the time of the article over 6.5 million copies of this magazine section had been circulated at 50 and 75 cents per copy.

** Respondents do not claim any copyright or other rights with respect to said photograph other than their alleged right to prevent its publication. (Respondents' Brief to the Court of Appeals, p. 39, fn. 28)

Presley likeness in connection with "merchandise" and that two days following Presley's death, Respondent Factors became the owner of that right (A6-7a).

The Decision Below.

With no evidentiary hearing, and relying solely on affidavits, the District Court entered an order on October 14, 1977, issuing a preliminary injunction. That order is reprinted in Appendix B.

The Court of Appeals affirmed, holding that Petitioners were entitled to the preliminary injunction on the ground of New York State's common law "right of publicity". (C9-15)

The court below rejected Petitioners' plea that the injunction constituted an impermissible prior restraint on Petitioners' First Amendment rights, citing *Paulsen* v. *Personality Posters, Inc.*, 59 Misc. 2d 444, 299 N.Y.S.2d 501 (Sup. Ct. 1968) (C14-15). That oft-cited decision had actually held the posters there involved were privileged under the First Amendment. The Circuit Court reasoned that *Paulsen* was not controlling because Petitioners' "poster of Presley was not privileged as celebrating a newsworthy event". (C15)

Reasons for Granting the Writ

I.

Posters are media of expression entitled to protection under the First Amendment.

Contrary to the views of the court below, the death of Elvis Presley, the "King of Rock and Roll" was a newsworthy event and a poster commemorating such an event was constitutionally protected speech. Posters have long been recognized as a form of expression entitled to the full protection of the First Amendment. *Baldwin* v. *Redwood City,* 540 F.2d 1360, 1366 (9th Cir. 1976), *cert. denied,* 431 U.S. 913 (1977). *See, e.g., Glasson* v. *City of Louisville,* 518 F.2d 899 (6th Cir.), *cert. denied,* 423 U.S. 930 (1975) (unlawful violation of the First Amendment to regulate posters on basis of their content being "detrimental to the United States"); *Spinar* v. *United States,* 440 F.2d 1241 (8th Cir. 1971) (posters featuring photographs of nudes were constitutionally protected and not obscene under then prevailing Supreme Court standards); *Hernandez* v. *Hanson,* 430 F. Supp. 1154 (D. Neb. 1977) (school regulation requiring prior approval before putting up posters, invalid as applied to restrict commercial speech); *Paulsen* v. *Personality Posters Inc., supra* (posters featuring photograph of well-known television performer and comedian, who engaged in mock presidential campaign, could not form basis of action for violation of right of privacy or right of publicity, since posters constitute a communications medium protected by the First Amendment).

For First Amendment purposes, the courts may not discriminate against some, and in favor of other, forms of communications media:

> "No distinction can be drawn between newspapers and a rather broad spectrum of other means—for example, magazines, signs in buses and subways, *posters,* handbills and mail circulations." (emphasis supplied)

Bates v. *State Bar of Arizona,* 433 U.S. 350, 402 n.12 (1977) (Powell, J., dissenting).

As the *Paulsen* Court noted, the privileged status accorded newsreels, magazines, and newspapers

> "has . . . been extended to other communications media including books, comic books, radio, television and motion pictures. [citations omitted]. Indeed, it is clear that any format of 'the written word or picture', *including posters* and handbills [citations omitted], *will be similarly exempted* in conjunction with the dissemination of news or public interest presentations" [citation omitted]. (emphasis added).

59 Misc. 2d at 448, 299 N.Y.S.2d at 506.

The New York courts have unanimously held that the means of communication entitled to constitutional protection are not only newspapers, magazines and broadcasting, but also include within their ambit all new and emerging media. In a 1972 case involving Presley himself, *Current Audio, Inc.* v. *RCA Corp.,* 71 Misc. 2d 831, 836, 337 N.Y.S.2d 949, 955 (Sup. Ct. 1972), the Court stated:

> "While the medium for dissemination of the newsworthy to which privileged status was first accorded was that of the printed word, the courts have been equally liberal in progressively expanding the ambit of protection to cover whatever new media have emerged. . . . It is apparent, moreover, that should man's creative talent continue to develop new means of communication, the

> law will further expand to cloak such with protective status. It is not the precise mechanics of the medium that is of prime significance; the crucial factor is that the particular medium be designed to disseminate the newsworthy or matters of public interest."

Current Audio noted that labeling of the medium is not the test; whether it "disseminates and communicates information of newsworthy events of varied scope and matters of human interest" is the only true criterion. The Court there held that a multi-media "talking magazine" was:

> "entitled to broad protection and its right to freely communicate the newsworthy must supersede any private pecuniary considerations."

71 Misc. 2d at 837, 337 N.Y.S.2d at 956.

In any event, Petitioners' photo-journalistic treatment of the death of Presley in a form known throughout history as a "poster", is not novel; it is, rather, a modern application of a medium which has a long history, one which has been used for centuries as a means of disseminating news and ideas.*

Moreover, the importance of posters, as a primarily visual medium, for disseminating information has increased in recent decades because our civilization has entered an era where—for better or for worse—the written word and the verbalized message have been largely superseded by visual communication on television screens, billboards or posters.

Constitutional protection should no more be denied to posters than to political speeches on town squares.

* The Bill of Rights and the Declaration of Independence first appeared in public as posters.

II.

The poster of Elvis Presley carries a message of public interest.

While undoubtedly some posters do not seek to communicate a message, the poster involved here clearly does so. It was, of course, not a message directed at this Court or to the members of its Bar. But a message it was nevertheless, a message addressed to the millions of fans who were shocked by the passing of their idol.

It is a message not simply of Presley's death. Death can also be presented as a counterpoint to life. The poster shows Presley in the prime of his life, on stage and playing his guitar. The imprinted legend recalls that the "King of Rock and Roll", after a brief span of years, is gone forever, save only in the memories evoked by the picture.

It leads to a sharing of deep emotions and strikes a basic human note of personal memories among those who grew up on his music and emulated his life style. It provokes identification with the deceased, pity, empathy, mourning and grief. Its effectiveness stems from its combination of news, photographic art and the emotional evocation of life and death.

The nature of this poster and the message contained therein highlights the distinction which must be made from the use of an entertainer's likeness for advertising purposes. The poster at issue is not a device to sell merchandise; it is not affixed to a package of bubble gum as a sales device. It is not an ashtray decorated by a picture of an entertainer, which may perhaps beautify the merchandise, but is primarily designed to help sell the ashtray. This poster is not a decorated piece of merchandise. It is not an advertising message; it is the message itself.

III.

It is constitutionally impermissible to draw a distinction between newsworthy events and entertainment.

It cannot be denied that the life and death of a world famous entertainer is "newsworthy", at least to his millions of devoted fans and that a memorial poster such as that in issue here qualifies under all rational criteria as a subject of "public interest". Yet, even if its purpose were no more ambitious than that of pleasing, diverting and entertaining, it is nonetheless entitled to all the protection of the First Amendment:

> "There is no doubt that entertainment, as well as news, enjoys First Amendment protection. It is also true that entertainment itself can be important news."

Zacchini v. *Scripps-Howard Broadcasting Co.*, 433 U.S. 562, 578 (1977).

A prior restraint is not tolerated by the Constitution simply because it pertains to entertainment rather than to a publication of political utterances or other news items.

In *Universal City Studios* v. *Ideal*, 3 Media Law Reporter 1297 (S.D.N.Y. 1977) (Docket No. 77 Civ. 4508 GLG), not officially reported, the Court denied a preliminary injunction sought on the basis of a "right to publicity", where a "typical fan magazine, apparently aimed at a female teenage audience", used publicity photographs of the "Hardy Boys" television stars in connection with feature articles, a "trivia quiz," and a page of "Brain Teasers". The Court stated:

> "It is true that the information conveyed by the defendant's publication is frivolous and of little public significance. It is, however, a publication and a prior restraint on it would constitute an infringement of First Amendment rights. *Nebraska Press Association* v. *Stuart*, 424 U.S. 539 (1976). A heavy constitutional burden must be met before a restraint on publication can be sustained. *Bantam Books* v. *Sullivan*, 372 U.S. 58, 70 (1963)."

3 Med. L. Reptr. at 1299.

Current Audio, supra, held that the privilege to publish and disseminate "extends far beyond the dissemination of news in the sense of current events and includes all types of factual, educational and historical data, or even entertainment and amusement, concerning interesting phases of human activity in general." 71 Misc. 2d at 836, 337 N.Y.S. 2d at 955.

As this Court said in *Joseph Burstyn, Inc.* v. *Wilson*, 343 U.S. 495, 501 (1952) with respect to motion pictures:

> "The importance of motion pictures as an organ of public opinion is not lessened by the fact that they are designed to entertain as well as to inform".

Burstyn also quoted with approval the following statement in *Winters* v. *New York*, 333 U.S. 507, 510 (1948):

> "The line between the informing and the entertaining is too elusive for the protection of that basic right [a free press]. Everyone is familiar with instances of propaganda through fiction. What is one man's amusement, teaches another's doctrine."

In *University of Notre Dame du Lac* v. *Twentieth Century Fox Film Corp.*, 22 A.D.2d 452, 256 N.Y.S.2d 301 (1st Dep't), *aff'd*, 15 N.Y.2d 940, 207 N.E.2d 508, 259 N.Y.S.2d 832 (1965), it was held that "[w]hat seems to one

to be trash may have for others fleeting or even enduring values."

A contention that only "news" is protected speech was rejected in *Man* v. *Warner Bros. Inc.*, 317 F. Supp. 50 (S.D.N.Y., 1970) (involving the motion picture "Woodstock"):

> "Plaintiff . . . argues that a movie depicting Woodstock is no longer news because of the lapse of time. The bizarre happenings of the festival were not merely fleeting news but sensational events of deep and lasting public interest." 317 F. Supp. at 53.

Accord: *Man* v. *Trans-lux Corp.*, N.Y.L.J., Sept. 15, 1970, at p. 2 (Sup. Ct.) (not officially reported).

IV.

The instant case affords the opportunity to answer the questions left open in *Zacchini*.

The court below seems to have felt that the decision of this Court in *Zacchini, supra,* was controlling on the question of whether the injunction issued in the instant case violated the First Amendment. In *Zacchini,* a local television station had videotaped and broadcast the entire performance of plaintiff's "human cannonball act" at a local county fair. This Court, by Mr. Justice White, observed that "[w]herever the line . . . is to be drawn between media reports that are protected and those that are not, we are quite sure that the First and Fourteenth Amendments do not immunize the media when they broadcast a performer's entire act without his consent." 433 U.S. at 574-75.

Petitioners submit that the poster involved here clearly falls on the side of the line where the First and Fourteenth

Amendments do apply, and further submit that the added factor of the prior restraint removes any doubt that the judgment below is constitutionally impermissible. We shall hereinafter set forth the critical differences which made *Zacchini* distinguishable from the case at bar and thereby squarely present the issues that this Court felt were unnecessary to resolve in *Zacchini.*

1. *In Zacchini an Entire Act of a Performer Was Appropriated by Defendant.*

The decisive factor, according to the majority in *Zacchini,* was that the station ". . . filmed [the performer's] entire act and displayed that film on television for the public to see and enjoy." 433 U.S. at 562, 569. The Court repeatedly refers to the display of petitioner's "entire act". See pages 570, 573 (fn. 10), 575 and 576.*

The constitutional principle which emerges is not, therefore, that First Amendment rights must always yield to the "right of publicity", but merely that the First Amendment does not preclude liability for damages when the news media appropriate a performer's entire act.

This Court did not attempt to spell out the rules under which other protected media may be liable for appropriation of something less than an entire performance.**

In refraining from drawing "the line" between those media treatments, amounting to less than a total appropriation of the performer's act, which may be privileged, and

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* "[Zacchini's] complaint [was] that respondent filmed his entire act and displayed that film on television for the public to see and enjoy. This, he claimed, was an appropriation of his professional property." 433 U.S. at 569.

** *See,* Note, *First Amendment Theory Applied to the Right of Publicity,* 19 *B.C.L. Rev.* 277, 290-93 (1978).

those which are not, the Court left this task for another day.

Today is that day.

2. *The Zacchini Analogy to the Copyright Law Is Inapplicable Where No Part of the Performer's Act Is Reproduced and Where the Granting of the Injunction Resulted in a Permanent and Unlimited Monopoly in Respondents to* All *Pictures of Presley, Regardless of Whether Respondents Own the Copyright Therein.*

In *Zacchini* this Court analogized the broadcast of a human cannonball performance to an infringement under the copyright laws, likening it to unauthorized reproduction of a copyrighted dramatic work, prize fight or baseball game.

Yet, in the absence of any taking of at least part of a performer's act, as in the case at bar, the analogy to copyright fails. Moreover, the petitioner in *Zacchini* did not even contend that his performance could not be reported, described, or commented upon by means other than the filming and broadcasting of the performance itself. 433 U.S. at 569.

It is significant in this respect that the *Zacchini* majority cites with approval *Nimmer,* "Does Copyright Abridge the First Amendment Guarantees of Free Speech and Press?" 17 *U.C.L.A. L. Rev.* 1180 (1970), which argues that copyright law does not abridge the First Amendment because it does not restrain the communication of ideas or concepts. 433 U.S. at 577 n.13. The Court further stated that the case "does not involve a claim that respondent would be prevented by petitioner's "right of publicity" from staging or filming its own 'human cannonball' act". *Id.*

This rationale for the inapplicability of the First Amendment to copyright infringement situations highlights the difference between *Zacchini* and the case at bar. Here, the poster at issue is entirely the creation of Petitioners. Yet, Respondents have actually prevented Petitioners from using it, i.e., from "staging [their] own 'cannonball act' ". The copyright monopoly is compatible with the public interest and will prevail over the First Amendment for the very reason that it protects only the particular expression of the idea, not the idea itself.* What Respondents achieved in the case at bar, by the sweeping injunction granted to them, was not merely a restraint on any particular concrete expression or pictorial presentation of an idea or concept, but a monopoly on the use of any and all representations of the likeness of Elvis Presley.

The injunction here, if not vacated by this Court, will secure to Respondents a perpetual monopoly in all pictorial presentations of the deceased entertainer, including copyrighted paintings, drawings, sculptures and photographs created and owned by others. This sweeping monopoly, Petitioners submit, is incompatible with any analogy to the copyright law and irreconcilable with the First Amendment.

In the case at bar, the photograph was not even owned by the Respondents; on the contrary, it was owned by Petitioner Pro Arts, who was also the proprietor of the statutory copyright. Ironically, if Respondents had owned the copyright, their monopoly therein would have been limited in duration and scope. Once their rights had terminated, the photograph would have entered into the public

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* *Mazer* v. *Stein,* 347 U.S. 201, 217 (1954). *Cf.,* 17 U.S.C. §102(b), 90 Stat. 2541, 2545; Report, House of Representatives No. 94-1476 at pp. 56-57.

domain and could have been copied by anyone. *G. Ricordi & Co.* v. *Haendler,* 194 F.2d 914 (2d Cir. 1952).

Here, however, Respondents have been able to suppress any and all pictures of Presley, whether created by them or by others, without regard to ownership of a copyright and for all time. Such boundless monopoly is incompatible with the public policy enunciated by this Court, that where copyrights are concerned, the primary object in conferring the monopoly is the broad availability of the work to the public. *Twentieth Century Music Corp.* v. *Aiken,* 422 U.S. 151 (1975); *Fortnightly Corp.* v. *United Artists Television, Inc.,* 382 U.S. 390 (1968).*

The court below suggests that no social purpose would be served by permitting Petitioners to use Presley's name and likeness. (C 13). Yet, in making this suggestion it failed to take into account the evil resulting from the grant of a permanent and perpetual monopoly to Respondents, allowing them to exact whatever tribute they wish from anyone who desires a picture of Elvis Presley.

3. *In Zacchini, Unlike Here, the Appropriation Pertained to the Very Activity by Which the Entertainer Acquired His Reputation in the First Place and by Which He Made His Living.*

Elvis Presley acquired his reputation not by distributing posters but by giving performances, making phonograph records and by appearing in motion pictures. The instant poster does not appropriate any part of his performances, records or motion pictures. Here, it is not the appropriation of a performance which is complained of,

* *Cf.*, Letter from Department of Justice to Hon. Robert Kastenmeier, *published in* 25 *Bull. Copyr. Soc'y.* 418 (1978) (pointing out the danger of allowing a perpetual monopoly to be granted under a state's common law).

but only the use in a wall poster of an already publicized press photograph.

4. Zacchini *Allowed a Claim for Compensation, Not a Prior Restraint.*

As this Court has noted, Hugo Zacchini—unlike the present Respondents—did not seek to enjoin the broadcast of his act, he merely sought to be compensated for it. 433 U.S. at 573-74, 578. As repeatedly stated by this Court: "Any prior restraint on expression comes to this Court with a 'heavy presumption' against its constitutional validity. Respondent carries a heavy burden of showing justification for the imposition of such a restraint." *Organization for a Better Austin* v. *Keefe,* 402 U.S. 415, 419 (1971), citing *Carroll* v. *President & Commissioners of Princess Anne,* 393 U.S. 175, 181 (1968) and *Bantam Books, Inc.* v. *Sullivan,* 372 U.S. 58, 70 (1963).

The instant case, therefore, squarely poses the question: Where is the balance between the "right of publicity" and the First Amendment to be struck when a prior restraint of speech is sought; when no interference with the performer's ability to make a living is involved; when only a single still photograph is employed; and when the photograph complained of has already been publicly and widely disseminated through the press without compensation and without objection from the alleged owner of the "right of publicity"? Petitioners submit that this issue raises important questions of constitutional law, never before answered by this Court, which are of fundamental importance to the communications industries, to the arts, and to the public.

In *Zacchini,* this Court held that the First Amendment does not immunize from damages liability the appropria-

tion of an entire act, under circumstances which impair the performer's ability to earn a living. The Court is now asked to decide whether the First Amendment does indeed immunize from the granting of *injunctions,* the unoffending use, in a communications medium, of a famous performer's press photograph, which already has been widely disseminated, where there has been no appropriation of any part of the performer's act, and where there can be no impairment of his ability to earn a living.

V.

The injunction herein is unconstitutional in that it is impermissibly overbroad.

The injunction herein restrains Petitioners from manufacturing, distributing or vending this copyrighted poster and beyond that, enjoins them from utilizing for commercial profit the name, image, or likeness of Elvis Presley in any manner or form.

Putting aside questions of liability, this sweeping remedy violates the fundamental principle of constitutional law, that where First Amendment freedoms are concerned, any restraint, even though otherwise legitimate in purpose, must pursue its aims by the least restrictive means. *Shelton* v. *Tucker,* 364 U.S. 479, 488 (1960). This Court has said that "[because] First Amendment freedoms need breathing space to survive, government may regulate in [this] area only with narrow specificity." *In re Primus,* —— U.S. ——, 98 S.Ct. 1893, 1905 (1978).

In *Carroll* v. *Princess Anne, supra,* at 183-84 this Court held that:

> "[a]n order issued in the area of First Amendment rights must be couched in the narrowest terms that will accomplish the pin-pointed objective permitted by constitutional mandate and the essential needs of the public order. . . . In other words, the order must be tailored as precisely as possible to the exact needs of the case."

The injunction here, instead of "pinpointing" the exact objective, mandates blanket suppression of all future uses of the Elvis Presley name, likeness, or image and in so doing, goes far beyond the "exact needs of the case".

CONCLUSION

The court below in affirming the temporary injunction issued by the District Court, overlooked the basic constitutional principle that all media of expression, whether newspapers, magazines, broadcasts, or posters, are entitled to the same freedoms. A picture is worth a thousand words, and stands on the same constitutional footing as a narrated story.

Our Constitution does not permit one who has lived an entire life in the limelight, projecting his image into every home and upon every consciousness in the nation, to one day withdraw his image from the artists and communicators—and consequently from their audiences—except upon payment of a tidy ransom.

Elvis Presley touched the lives of millions of people. The "king" is now dead. Those who seek to monopolize all communications and all representations of the deceased, by all media, do so in order to capitalize on his untimely death. This consideration points up the egregious nature

of the present injunction, an injunction which is against the public interest and unconstitutional.

For these reasons, it is respectfully submitted, the Court should grant a Writ of Certiorari to review the injunction that is now in effect against the Petitioners.

Respectfully submitted,

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Appendices

APPENDIX A

Opinion of the District Court

UNITED STATES DISTRICT COURT

SOUTHERN DISTRICT OF NEW YORK

No. 77 Civ. 4704 (CHT)

Oct. 13, 1977

FACTORS ETC., INC. and BOXCAR ENTERPRISES, INC.,

Plaintiffs,

—v.—

PRO ARTS, INC. and THE STOP AND SHOP COMPANIES, INC.,

Defendants.

OPINION

TENNEY, *District Judge.*

This is a companion action to *Factors Etc., Inc.* v. *Creative Card Co.*, 444 F.Supp. 279 (S.D.N.Y. 1977), in which an opinion was filed October 12, 1977 ("the *Creative Card* opinion"). The same plaintiffs, Factors Etc., Inc. ("Factors") and Boxcar Enterprises, Inc., claiming to have the sole right to exploit through commercial souvenir merchandise the name and visage of the late Elvis Presley, are suing still another manufacturer of an allegedly infringing Presley poster, Pro Arts, Inc. ("Pro Arts"), and a retail distributor, The Stop and Shop Companies, Inc. ("Stop & Shop"), which sells that item. Plaintiffs have requested a preliminary injunction pursuant to Rule 65 of the Federal

Rules of Civil Procedure ("Rules"), and defendant Pro Arts has moved pursuant to Rule 12(b) to dismiss for want of personal jurisdiction and/or improper venue, or, in the alternative, for transfer to the Northern District of Ohio pursuant to 28 U.S.C. § 1404(a) or for a stay of this action pending the outcome of proceedings between defendant Pro Arts and plaintiff Factors in an action filed in that district.[1]

For the reasons set out below and those incorporated by reference to the *Creative Card* opinion, defendant Pro Arts' motions to dismiss, transfer or stay are denied, and plaintiffs' motion for a preliminary injunction is granted.

Plaintiffs in this action are asserting an exclusive right to exploit the name and face of the late Elvis Presley, based on their alleged succession to an alienable "right of publicity" which the entertainer exploited in his own lifetime. In the *Creative Card* opinion this Court fully explored both the theoretical base of this claim and the validity of plaintiffs' title, concluding that the right existed, was a species of property inhering in Elvis Presley, was alienable, and because it was exploited to the entertainer's financial advantage in life, passed like any other intangible property at his death, in this case to plaintiffs. The infringement of that right was a tort in the nature of unfair competition.

[1] The position of defendant Stop & Shop is unclear. Although they are purportedly represented by counsel for Pro Arts, Inc., Motion to Admit Raymond E. Scott Pursuant to Local Rule 4, dated September 30, 1977, all argument held at hearings before this Court on October 3, 1977 and again on October 5, 1977 was directed to the Pro Arts defense. All papers submitted concern Pro Arts exclusively. Accordingly, for purposes of the 12(b) motion to dismiss the Court will accept as true the allegations in the complaint that defendant Stop & Shop is a Massachusetts corporation qualified to do business in New York and doing business here through its Bradlees Stores division, Complaint ¶ 9, and will assume for purposes of preliminary relief that it has jurisdiction over defendant Stop & Shop and that venue is properly laid in this district.

The same analysis applies in this case. However, for purposes of the instant action the Court must address, at least as to defendant Pro Arts, the questions of jurisdiction and venue and the contention that this matter would be more properly heard in the Northern District of Ohio.

The defendant is an Ohio corporation. Affidavit of Michael P. Trikilis, President of Pro Arts, Inc., sworn to Oct. 4, 1977, ¶ 1. Pro Arts has "sold or shipped" less than one percent of its Presley posters in or into the state of New York. Id. ¶ 5. Defendant does not supply the date as of which that figure was current. In a later statement, Mr. Trikilis reiterates that less than one per cent of the posters "were sold and delivered to New York." Trikilis Affidavit, sworn to Oct. 10, 1977, ¶ 12. The balance of this statement is given over to general sales figures for the Presley poster and projections of future sales, none of which allude directly to distribution in the New York market. Affiant Trikilis states that as of October 6, 1977 Pro Arts, Inc. made total gross sales of its allegedly infringing Elvis Presley poster in the amount of $940,851.40, *id.* ¶ 4, and that weekly sales volume for the item is expected to increase until Christmas of 1977. *Id.* ¶ 7. Nothing further is said concerning the volume of sales in New York, where the poster is apparently available for purchase at Bradlees Mini City, New York, New York. Rohner Affidavit, sworn to Sept. 23, 1977, ¶ 2.

Jurisdiction

Despite the paucity of fact, the Court has no difficulty in concluding that it has jurisdiction over defendant Pro Arts. In this diversity case, the law of New York dictates whether the Court has personal jurisdiction over the foreign corporation. *Arrowsmith* v. *United Press Int'l,* 320 F.2d 219 (2d Cir. 1963) (en banc). The operative statute is New York C.P.L.R. § 302(a)(2), which gives New York courts jurisdiction over any non-domiciliary who commits "a tortious act within the state." Although the burden is on plaintiff to sustain its assertion of jurisdiction, *McNutt* v. *General Motors Acceptance Corp.,* 298 U.S. 178, 56 S.Ct. 780, 80 L.Ed. 1135 (1936); *Top Form Mills* v. *Sociedad Nationale Industria Applicazione Viscosa,* 428 F.Supp. 1237 (S.D.N.Y. 1977), the Court may examine affidavits to establish jurisdictional facts. *H. L. Moore Drug Exchange, Inc.* v. *Smith, Kline & French Labs.,* 384 F.2d 97 (2d Cir. 1967) (per curiam).

Having isolated defendant's activity as the tort of unfair competition, the Court is free to apply the rule that in unfair competition "the wrong takes place . . . where the passing off occurs," *i.e.,* at the point of consumer purchase. *Vanity Fair Mills, Inc.* v. *T. Eaton Co.,* 234 F.2d 633, 639 (2d Cir.), *cert. denied,* 352 U.S. 871, 77 S.Ct. 96, 1 L.Ed.2d 76 (1956); *see Honda Associates, Inc.* v. *Nozawa Trading, Inc.,* 374 F.Supp. 886 (S.D.N.Y. 1974); *Car-Freshner Corp.* v. *Broadway Mfg. Co.,* 337 F.Supp. 618 (S.D.N.Y. 1971). Therefore, based on the fact that the allegedly infringing Pro Arts Presley poster was sold in this district, the Court can conclude that defendant Pro Arts' conduct falls squarely within N.Y.C.P.L.R. § 302(a)(2), "which requires no specified level of activity within the State, but only that the

plaintiff suffer some damage as a result of a tortious act committed by defendant or its agent in New York." *Honda, supra,* 374 F.Supp. at 889; *see Feathers* v. *McLucas,* 15 N.Y.2d 443, 261 N.Y.S.2d 8, 209 N.E.2d 68 (1965).

Venue

The propriety of venue in this district is a more difficult question. The choice of venue is governed in this diversity action by 28 U.S.C. § 1391(a), which permits venue to be laid, inter alia, "where the claim arose." The interpretation of that language has generated a test of "more than miniscule contacts" which this Court adopted in the *Creative Cards* opinion. *See Tefal, S.A.* v. *Products Int'l Co.,* 529 F.2d 495 (3d Cir. 1976); *Transamerica Corp.* v. *Transfer Planning, Inc.,* 419 F.Supp. 1261 (S.D.N.Y. 1976); *Honda, supra.* However, the test is difficult to apply when defendant Pro Arts tells us nothing more than that it has "sold and delivered" less than one percent of its Presley posters to New York. Trikilis Affidavit, sworn to Oct. 10, 1977, ¶ 12. This figure does not reveal what percentage of the allegedly infringing posters is on order and waiting to be shipped and sold here. Nor does it address the size of the New York market compared to other districts. The Court can only extrapolate from Pro Arts' total sales figures for the Presley poster, *i.e.,* $940,851.40 through October 6, 1977, *id.* ¶ 4, to posit that it has sold at least $9,000 worth of the item in New York to date. This is less than actual sales made or contemplated, but even so it might satisfy the *Honda* "less than miniscule contacts" test to determine "where the claim arose" for purposes of section 1391(a).

However, the Court need not rely solely on section 1391(a), as there is yet another basis for laying venue in this district. 28 U.S.C. § 1391(c) provides that "[a] corporation may be sued in any judicial district in which it is . . . doing business." Plaintiffs have alleged that defendant Pro Arts is "doing business" here within the meaning of that section, and since this allegation goes uncontroverted by that defendant, the Court will treat it as true for the purposes of this motion to dismiss.

Other Litigation Between Factors and Pro Arts

By a complaint filed in the Northern District of Ohio on September 21, 1977, five days before the instant action was commenced ("the Ohio action"), defendant Pro Arts brought suit against plaintiff Factors for, inter alia, breach of contract and sought a declaratory judgment involving many aspects of the business relationship between the parties which are not before this Court. However, the Pro Arts right to produce its Presley poster is raised in the Ohio action. Pro Arts there claims in the alternative that Factors has no exclusive right to sublicense reproduc tion of the Presley visage or, if it has, that it has a contract with Pro Arts affording the latter first right of refusal for any sublicensing agreement. Pro Arts, in its motion pursuant to 28 U.S.C. § 1404(a), asks this Court to exercise its discretion and to transfer the instant action to the Northern District of Ohio. Despite serious questions as to which party first "reached the courthouse door" and what prompted the race, see *Amerada Petroleum Corp.* v. *Marshall,* 381 F.2d 661 (5th Cir. 1967), if it were true that the two litigations presented the same issues the Court might be persuaded by the counsel of section 1404(a) to

transfer the instant action "in the interest of justice." *See Farbenfabriken Bayer A.G.* v. *National Distillers & Chem. Corp.,* 324 F.Supp. 156 (S.D.N.Y. 1971), and cases cited therein. However, this Court is called upon in this and a related action, *i.e., Creative Card,* to determine only the right of plaintiffs to the exclusive commercial exploitation of the Elvis Presley name and visage through souvenir merchandise. That issue is but a tiny portion of the matter before the Northern District of Ohio, where Factors and Pro Arts are embroiled in a complex commercial battle involving many other celebrities, the interpretation of contracts, etc. Furthermore, in view of the apparent disposition of the Ohio courts to recognize the "right of publicity," *see Zacchini* v. *Scripps-Howard Broadcasting Co.,* 433 U.S. 562, 97 S.Ct. 2849, 53 L.Ed.2d 965 (1977), this Court believes that a conclusion on the merits of the narrow issue presented in this case will not unduly raise the spectre of inconsistent results in the Northern District of Ohio.

Accordingly, defendant Pro Arts' motions to dismiss, stay or transfer are in all respects denied, and plaintiff's motion for a preliminary injunction is granted. Defendants Pro Arts, Inc. and The Stop and Shop Companies, Inc. will be enjoined from manufacturing, distributing, selling or by any other means profiting from souvenir merchandise bearing the name or likeness of the late Elvis Presley until the merits of the case are determined.

Order is being filed simultaneously herewith.

APPENDIX B

Order for Preliminary Injunction

UNITED STATES DISTRICT COURT

SOUTHERN DISTRICT OF NEW YORK

77 Civ. 4704 (CHT)

FACTORS ETC., INC. and BOXCAR ENTERPRISES, INC.,

Plaintiffs,

—against—

PRO ARTS, INC. and THE STOP AND SHOP COMPANIES, INC.,

Defendants.

Plaintiffs Factors Etc., Inc. and Boxcar Enterprises, Inc. have moved pursuant to Rule 65 of the Federal Rules of Civil Procedure for an order enjoining defendants, their agents, servants, employees, officers, subsidiaries, affiliates, and all persons and organizations in partial concert or participation with them from directly or indirectly manufacturing, selling or distributing (1) any and all posters, reproductions or copies identical or similar to the posters annexed as exhibits to the complaint in this action, (2) any other posters, reproductions or copies containing any image, picture or likeness of Elvis Presley and (3) utilizing for commercial profit in any manner or form the name, image, photograph or likeness of Elvis Presley; and defendant Pro Arts, Inc. having moved for an order pursuant to Rule 12(b) of the Federal Rules of Civil Pro-

cedure dismissing this action on the ground that the Court does not have jurisdiction over the person of defendant Pro Arts, Inc. or that venue in the Southern District of New York is improper; or in the alternative to transfer these proceedings to the Northern District of Ohio pursuant to 28 U.S.C. § 1404(a) or to stay this action;

Now, upon reading and filing the complaint dated September 26, 1977, the Affidavit of Harry Geissler sworn to September 23, 1977, the Affidavit of Tom Parker sworn to September 2, 1977, the Affidavits of Vernon Presley and Tom Diskin each sworn to on September 3, 1977, the Affidavit of Roger Davis sworn to September 2, 1977, the Affidavit of Walter Rohner sworn to September 23, 1977, and the exhibits to each of the foregoing affidavits, all submitted in support of plaintiffs' motion for preliminary injunction and the Affidavit of Michael P. Trikilis sworn to October 4, 1977 submitted in support of defendant Pro Arts, Inc.'s motion to dismiss, transfer or stay and attorney's fees, exhibits appended to the motion, and the Affidavits of Phillip A. Moody and Michael C. Silberberg each sworn to on October 4, 1977 submitted by plaintiffs in opposition to defendant Pro Arts, Inc.'s motion to dismiss, transfer or stay and attorney's fees; and both motions having come on to be heard for argument on October 3, 1977 and October 5, 1977 and after hearing Michael C. Silberberg of Golenbock and Barell and Arthur Fields of Ervin, Cohen & Jessup in support of plaintiffs' motion for preliminary injunction and in opposition to defendant Pro Arts, Inc.'s motion to dismiss, transfer or stay and Raymond E. Scott of Cullen, Settle, Sloman & Cantor, P.C. in opposition to plaintiffs' motion for preliminary injunction and in support of defendant Pro Arts, Inc.'s motion

to dismiss, transfer or stay, and this Court having given due deliberation thereto and having rendered and filed its opinion dated October 13, 1977 granting plaintiffs' motion for a preliminary injunction and denying defendants' motion to dismiss, transfer or stay, it is upon motion of Golenbock and Barell and Ervin, Cohen & Jessup, attorneys for plaintiffs,

ORDERED that defendants Pro Arts, Inc. and Stop and Shop Companies, Inc., their agents, servants, employees, officers, and all persons and organizations in active concert or participation with them who receive actual notice of this order by personal service or otherwise are restrained and enjoined during the pendency of this action from directly or indirectly manufacturing, selling or distributing (1) any and all posters, reproductions or copies identical or similar to the poster more particularly identified as "In Memory . . . 1935-1977," (2) any other posters, reproductions or copies containing any image, picture or likeness of Elvis Presley, and (3) utilizing for commercial profit in any manner or form the name, image, photograph or likeness of Elvis Presley other than pursuant to an agreement approved by plaintiffs; and it is further

ORDERED that plaintiffs give security in the sum of $100,000.00 for the payment of such costs and damages as may be incurred or suffered by any party who is found to have been wrongfully enjoined, such security to be approved by the Clerk of the Court no later than October 17, 1977.

Dated: New York, New York
October 13, 1977

CHARLES H. TENNEY
U.S.D.J.

APPENDIX C

Opinion of the Court of Appeals

UNITED STATES COURT OF APPEALS

SECOND CIRCUIT

No. 655, Docket 77-7544.

FACTORS ETC., INC. and BOXCAR ENTERPRISES INC.,

Plaintiffs-Appellees,

—v.—

PRO ARTS, INC. and STOP AND SHOP COMPANIES, INC.,

Defendants-Appellants.

Argued May 8, 1978.

Decided June 27, 1978.

Before:

WATERMAN, INGRAHAM* and MANSFIELD,

Circuit Judges.

INGRAHAM, *Circuit Judge*:

Plaintiffs-Appellees, Factors Etc., Inc. (Factors) and Boxcar Enterprises, Inc. (Boxcar), sued Defendants-Appellants, Pro Arts, Inc. (Pro Arts) and Stop and Shop Companies, Inc. (Stop and Shop), for injunctive relief and

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* Of the United States Court of Appeals for the Fifth Circuit, sitting by designation.

damages based upon defendants' alleged misappropriation and unauthorized use of the name and likeness of Elvis Presley (Presley). The trial court granted the plaintiffs' preliminary injunction upon its findings that the exclusive right to market Presley memorabilia survived the death of Presley, and the Presley poster printed by defendants allegedly in derogation of this right was not privileged as the publication of a newsworthy event. This is an interlocutory appeal pursuant to 28 U.S.C. § 1292(a)(1).

Because the facts are not in dispute, we need not describe them in detail. During Presley's career as an entertainer Colonel Tom Parker (Parker) served as his close friend, mentor and personal manager. This professional relationship between the two parties began on March 26, 1956, with the execution of the first contract between them. Parker immediately began the task of creating the "Elvis persona." In so doing, both he and Presley capitalized upon the marketing of merchandise bearing the Elvis name and likeness. Parker directed this effort until Presley's death, a task reflected by the numerous extensions of the contract between the two parties.[1]

Boxcar Enterprises, a Tennessee corporation controlled by Presley and Parker,[2] was the vehicle through which the commercial Elvis Presley rights were marketed. Boxcar sublicensed other companies to do the actual manufacturing and distributing of each specific item, receiving royalties from the sales.[3]

[1] At the time of his death, Presley was operating under an agreement with Parker, who was doing business as "All Star Shows." The agreement was executed on May 25, 1963, and was thereafter extended several times. The last extension occurred on January 22, 1976, and granted merchandising rights to Parker for another seven years.

[2] Parker owned 56% of the shares; Presley and Tom Dishkin, President of Boxcar, each owned 22%.

On August 16, 1977, Elvis Presley died suddenly and unexpectedly. His father, Vernon Presley, was appointed executor of his estate. On August 18, 1977, two days after Presley's death, Boxcar granted Factors the exclusive license to exploit commercially the name and likeness of Elvis Presley. Factors paid Boxcar $100,000 on execution of the agreement against a guarantee of $150,000. Vernon Presley, as executor of the estate, signed the agreement licensing Factors, at the same time warranting that Boxcar was the sole and exclusive owner of the commercial Elvis Presley rights.[4] The agreement was also approved by Parker.

Immediately following Presley's death, Pro Arts decided that it too wanted a share in the market for Elvis Presley memorabilia. It purchased the copyright in the photograph of Presley from a staff photographer of the Atlanta (Georgia) Journal. On August 19, 1977, three days after his death, Pro Arts published a poster using the photograph and filed an application for registration of copyright. The poster is entitled "IN MEMORY" and below the photograph of Presley the poster bears the dates "1935-1977."

On the same day that the poster was published, Pro Arts began to market it. One of its first customers was co-

[3] When Boxcar licensed a merchandising item, Presley received 20% of the royalties, Parker received 20%, and Dishkin received 10%. The remaining 50% when to Boxcar.

[4] Contemporaneous with this agreement, Vernon Presley wrote to Parker, asking him to "carry on according to the same terms and conditions as stated in the contractual agreement [between Presley and Parker] dated January 22, 1976" (See n. 1, *supra*).

defendant Stop and Shop Companies, which thereafter sold the poster through its Bradlees Stores Division in the Southern District of New York. On August 24, 1977, five days after its poster was placed on the market, Pro Arts notified Boxcar Enterprises that it was offering "a memorial 'Elvis' poster to meet the public demand." When Factors was informed of the letter, it replied to Pro Arts claiming the exclusive right to manufacture, sell and distribute all merchandise utilizing the name and likeness of Elvis Presley. Factors also warned Pro Arts that if it did not discontinue sale of the poster, it would be subject to a lawsuit for injunctive relief, damages and an accounting.

Instead of ceasing distribution of the poster, Pro Arts filed suit in the United States District Court for the Northern District of Ohio seeking a declaratory judgment of non-infringement of the rights claimed by Factors. When Factors discovered that it had been sued in Ohio, it responded by instituting this action against Pro Arts and Stop and Shop in United States District Court for the Southern District of New York.[5] This later action was filed on September 26, 1977, just five days after Pro Arts' action.

Upon the filing of the complaint in this action, the district judge entered an "order to show cause" requiring Pro Arts to show cause why an injunction should not issue against it. Pro Arts responded with a motion to dismiss, stay or transfer the suit to the Northern District of Ohio. On October 13, 1977, the New York court filed an opinion and order of preliminary injunction against Pro Arts. The injunction restrained Pro Arts during the pendency of the action from manufacturing, selling or distributing (1) any more copies of the poster labeled "IN MEMORY . . . 1935-

[5] Jurisdiction was predicated upon the diversity of citizenship between the parties. 28 U.S.C. § 1332.

hensive disposition of litigation . . ." *Kerotest Manufacturing Co.* v. *C-O-Two Fire Equipment Co.*, 342 U.S. 180, 183, 72 S.Ct. 219, 221, 96 L.Ed. 200 (1952). In deciding between competing jurisdictions, the balancing of convenience should be left to the sound discretion of the district court. *Id.* at 183-84, 72 S.Ct. 219; *William Gluckin & Co.* v. *International Playtex Corp.*, 407 F.2d at 178.

We conclude that the district court did not abuse its discretion by allowing the later filed action to proceed. First, at the time that this case was filed, two additional lawsuits against other defendants by Factors presenting the identical issue for resolution were pending in the Southern District of New York.[8] Efficient and responsible judicial administration dictated that these three cases be tried before the same forum. *Id. See Remington Products Corp.* v. *American Aerovap, Inc.*, 192 F.2d 872, 873 (2d Cir. 1951).

Second, Pro Arts' suit for declaratory judgment was filed in apparent anticipation of Factors' New York suit. When the declaratory judgment action has been triggered by a notice letter, this equitable consideration may be a factor in the decision to allow the later filed action to proceed to judgment in the plaintiffs' chosen forum. *Amerada Petroleum Corp.* v. *Marshall*, 381 F.2d 661, 663 (5th Cir. 1967). *Accord, Columbia Pictures Industries, Inc.* v. *Schneider*, 425 F.Supp. 742, 747 (S.D.N.Y. 1977). As Mr. Justice Brennan has observed, "[t]he federal declaratory judgment is not a prize to the winner of a race to the courthouses." *Perez* v. *Ledesma*, 401 U.S. 82, 119 n. 12,

[8] These two cases are *Factors Etc., Inc.* v. *Creative Card Co.*, 444 F.Supp. 279 (S.D.N.Y. 1977), and *Factors Etc., Inc.* v. *The Wild Side, Inc.*, 77 Civ. 4705 (S.D.N.Y. Oct. 14, 1977).

91 S.Ct. 674, 694, 27 L.Ed.2d 701 (1971) (Brennan, J. dissenting). In short, we find no abuse of discretion by the district court in its decision not to grant Pro Arts' motion to transfer the case to Ohio under § 1404(a) or stay the proceedings pending resolution of the Ohio action.

We now proceed to the determination of the principal issue in this case—whether or not the preliminary injunction was improvidently granted. In order to be granted a preliminary injunction under Rule 65(a), Fed.R.Civ.P., the movant must make "'a clear showing of either (1) probable success on the merits *and* possible irreparable injury, *or* (2) sufficiently serious questions going to the merits to make them a fair ground for litigation *and* a balance of hardships tipping decidedly toward the party requesting the preliminary relief.'" *Triebwasser & Katz* v. *American Tel. & Tel. Co.*, 535 F.2d 1356, 1358 (2d Cir. 1976) (emphasis in original), *quoting Sonesta International Hotels Corp.* v. *Wellington Assoc.*, 483 F.2d 247, 250 (2d Cir. 1973). The trial court employed the first prong of the test, finding that Factors had demonstrated probable success on the merits and possible irreparable injury. Because Pro Arts does not challenge the trial court's finding of possible irreparable harm, we need only address the first of the two requirements, that of probable success on the merits.

In concluding that Factors would likely prevail on the merits at trial, the court found that Elvis Presley exercised his right of publicity during his lifetime by giving Parker the exclusive authority to exploit his image through Boxcar Enterprises. This exclusive authority survived Presley's death, after which it was validly assigned to Factors. For this reason Pro Arts was enjoined from manufacturing, distributing, selling or otherwise profiting from

1977," (2) any other posters, reproductions or copies containing any likeness of Elvis Presley, and (3) utilizing for commercial profit in any manner or form the name or likeness of Elvis Presley. The order also denied Pro Arts' motion to dismiss, stay or transfer. Pro Arts has duly perfected this interlocutory appeal from the order.[6]

Before addressing the merits, we must first dispose of Pro Arts' contention that the trial court abused its discretion in denying Pro Arts' motion to stay or transfer the present action to the Northern District of Ohio.[7] Pro Arts first argues that the case should have been transferred under 28 U.S.C. § 1404(a) (1976) for the convenience of parties and witnesses. According to Pro Arts, none of the parties are residents of New York, but instead each is incorporated and a resident of another state—Factors (Delaware), Boxcar (Tennessee), Pro Arts (Ohio), Stop and Shop (Massachusetts). Furthermore, Pro Arts contends that it is the chief defendant in the case and its principal place of business is located in Ohio, the state where all of its records, officers and witnesses are located. Defendant Stop and Shop, on the other hand, is merely a "straw man" joined to make possible a New York suit, and has nothing to do with the printing or manufacturing of the poster.

There can be no doubt that the burden is on the defendant, when it is the moving party, to establish that there should be a change of forum. *See Ford Motor Co.* v. *Ryan,*

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[6] 28 U.S.C. § 1292(a)(1). *See, e. g., Morning Telegraph* v. *Powers,* 450 F.2d 97 (2nd Cir. 1971), *cert. denied,* 405 U.S. 954, 92 S.Ct. 1170, 21 L.Ed.2d 231 (1972).

[7] On appeal, Pro Arts has apparently abandoned its earlier contention that the New York court lacked personal jurisdiction or venue over the parties, arguing only that the action should have been transferred or stayed on grounds of convenience and other equitable considerations.

182 F.2d 329, 330 (2d Cir.), *cert. denied,* 340 U.S. 851, 71 S.Ct. 79, 95 L.Ed. 624 (1950); *New York* v. *General Motors Corp.,* 357 F.Supp. 327, 328 (S.D.N.Y. 1973); C. Wright, A. Miller and E. Cooper, 15 Federal Practice and Procedure 244 (1976) [hereinafter cited as Federal Practice and Procedure]. When a party seeks the transfer on account of the convenience of witnesses under § 1404(a), he must clearly specify the key witnesses to be called and must make a general statement of what their testimony will cover. 15 Federal Practice and Procedure 270. *See, e. g., Mendelson* v. *Fleischmann,* 386 F.Supp. 436, 439 (S.D.N.Y. 1973). Not only was no such demonstration attempted, but Pro Arts did not even urge the convenience of witnesses and parties below as a ground for § 1404(a) transfer. Because the issue was not raised in the district court and supported by affidavits, there could be no abuse of discretion in not granting transfer on these grounds.

Pro Arts argues in the alternative that the case should have been transferred to Ohio under § 1404(a) or stayed pending resolution of the Ohio action, since essentially the same lawsuit involving the same parties and the same issues had been filed in Ohio before the New York case was filed. The rule in this circuit is that the first suit should have priority, " 'absent the showing of balance of convenience in favor of the second action' . . . or unless there are special circumstances which justify giving priority to the second." *William Gluckin & Co.* v. *International Playtex Corp.,* 407 F.2d 177, 178 (2d Cir. 1939), *quoting Remington Products Corp.* v. *American Aerovap, Inc.,* 192 F.2d 872 (2d Cir. 1951). The Supreme Court has articulated the test to be "wise judicial administration, giving regard to conservation of judicial resources and compre-

merchandise bearing the name or likeness of the late Elvis Presley.

It is beyond cavil that the grant or denial of preliminary injunctive relief " 'will not be disturbed [on appeal] unless there is an abuse of [the trial court's] discretion . . . or unless there is a clear mistake of law.' " *New York* v. *Nuclear Regulatory Commission,* 550 F.2d 745, 751 (2d Cir. 1977), *quoting Triebwasser & Katz* v. *American Tel. & Tel. Co.,* 535 F.2d at 1358. On appeal, Pro Arts alleges two errors of law on the part of the trial court. According to Pro Arts, the trial court erred first in concluding that the right of publicity could survive the death of the celebrity. Second, Pro Arts argues that even if the right did so survive, Pro Arts was privileged, as a matter of law, in printing and distributing its "memorial poster" of Presley, because the poster celebrated a newsworthy event.

The first issue, the duration of the so-called "right of publicity," is one of state law, more specifically the law of the State of New York. Because of the dearth of New York case law in this area, however, we have sought assistance from federal court decisions interpreting and applying New York law, as well as decisions from courts of other states.

As the district court noted, much confusion shrouds the so-called "right of publicity," largely because it has often been discussed under the rubric "right of privacy." As Dean Prosser has stated, the right of privacy embraces "four distinct kinds of invasion of four different interests of the plaintiff, which are tied together by the common name, but otherwise have almost nothing in common except that each represents an interference with the right of the plaintiff 'to be let alone.' " W. Prosser, Torts 804 (4th ed.

1971). Prosser has classified the four species of this tort as (1) intrusion upon the plaintiff's physical solitude or seclusion, *id.* at 807, (2) public disclosure of private facts, *id.* at 809, (3) false light in the public eye, *id.* at 812, and (4) appropriation of plaintiff's name or likeness for defendant's benefit, *id.* at 804.

The fourth type, appropriation of plaintiff's name or likeness for defendant's benefit, has in recent years acquired the label, "right of publicity." The distinguishing feature of this branch of the tort is that it involves the use of plaintiff's protected right for defendant's direct commercial advantage. The nature of the remedy also separates the right of publicity from the other three species of the tort. To protect his interest with respect to the first three, the injured party attempts to minimize the intrusion or publication of the damaging matter. In contrast, the right of publicity plaintiff does not necessarily object to the commercial exploitation—so long as the exploitation is at his behest and he is receiving the profits. This point was recently undersored by the Supreme Court in *Zacchini* v. *Scripps-Howard Broadcasting Co.*, 433 U.S. 562, 97 S.Ct. 2849, 53 L.Ed.2d 965 (1977). According to the Court, the interest protected:

> is closely analogous to the goals of patent and copyright law, focusing on the right of the individual to reap the reward of his endeavors and having little to do with protecting feeling or reputation.

Id. at 573, 97 S.Ct. at 2856.

> [The rationale is thus] "one of preventing unjust enrichment by the theft of good will. No social purpose is served by having the defendant get free some aspect of the plaintiff that would have market value and for which he would normally pay."

Id. at 576, 97 S.Ct. at 2857, quoting *Kalven,* Privacy in Tort Law—Were Warren and Brandeis Wrong? 31 Law & Contemp. Prob. 326, 331 (1966).

The State of New York provides a statutory right for the protection of a *living* person from commercial exploitation of his name and picture by others without his written consent.[9] This statutory right, also called a "right of privacy," is predicated upon the classic right of privacy's theoretical basis which is to prevent injury to feelings. *Price* v. *Hal Roach Studios, Inc.,* 400 F.Supp. 836, 843 (S.D.N.Y. 1975); *Lombardo* v. *Doyle, Dane & Bernbach,* 58 A.D.2d 620, 396 N.Y.S.2d 661 (1977). In *Haelan Laboratories, Inc.* v. *Topps Chewing Gum, Inc.,* 202 F.2d 866 (2d Cir.), *cert. denied,* 346 U.S. 816, 74 S.Ct. 26, 98 L.Ed. 343 (1953), we recognized that the right of publicity exists independent from the statutory right of privacy and that it can be validly transferred by its owner:

> We think that, in addition to and independent of that right of privacy (which in New York derives from statute), a man has a right in the publicity value of his photograph, i.e., the right to grant the exclusive privilege of publishing his picture, and that such a grant may validly be made "in gross," i.e., without an accompanying transfer of a business or of anything else. Whether it be labelled a "property" right is im-

[9] N.Y. [Civil Rights] Law §§ 50-51 (McKinney).

> material; for here, as often elsewhere, the tag "property" simply symbolizes the fact that courts enforce a claim which has pecuniary worth.

Id. at 868.

Since the landmark *Haelan Laboratories, Inc.* case, several decisions by courts applying New York law have labeled the right of publicity as a valid transferable property right, *see e. g., Price* v. *Hal Roach Studios, Inc.*, 400 F.Supp. at 844; *Groucho Marx Productions, Inc.* v. *Playboy Enterprises, Inc.*, —— F.Supp. ——, No. 77-1782 (S.D. N.Y. Dec. 30, 1977); *Lombardo* v. *Doyle, Dane & Bernbach*, 58 A.D.2d 620, 396 N.Y.S.2d 661 (1977), as well as recent decisions by courts applying the law of other states, *see, e.g., Cepeda* v. *Swift & Co.*, 415 F.2d 1205, 1206 (8th Cir. 1969); *Memphis Development Foundation* v. *Factors, Etc., Inc.*, 441 F.Supp. 1323, 1329 (W.D. Tenn. 1977).

There can be no doubt that Elvis Presley assigned to Boxcar a valid property right, the exclusive authority to print, publish and distribute his name and likeness. In so doing, he carved out a separate intangible property right for himself, the right to a certain percentage of the royalties which would be realized by Boxcar upon exploitation of Presley's likeness and name. The identification of this exclusive right belonging to Boxcar as a transferable property right compels the conclusion that the right survives Presley's death. The death of Presley, who was merely the beneficiary of an income interest in Boxcar's exclusive right, should not in itself extinguish Boxcar's property right. Instead, the income interest, continually produced from Boxcar's exclusive right of commercial exploitation, should inure to Presley's estate at death like any other in-

tangible property right. To hold that the right did not survive Presley's death, would be to grant competitors of Factors, such as Pro Arts, a windfall in the form of profits from the use of Presley's name and likeness. At the same time, the exclusive right purchased by Factors and the financial benefits accruing to the celebrity's heirs would be rendered virtually worthless.

Though no New York court has directly addressed this issue,[10] the only two cases on point agree with our conclusion that the right of publicity should survive the celebrity's death. *See Memphis Development Foundation* v. *Factors, Etc., Inc.*, 441 F.Supp. 1323 (W.D. Tenn. 1977); *Price* v. *Hal Roach Studios, Inc.*, 400 F.Supp. 836 (S.D. N.Y. 1975). Of these two cases the *Price* case is particularly persuasive since it is a decision of a United States District Court purportedly applying New York law. *Price* involved a dispute over the ownership of the commercial right to use the names and likenesses of Stanley Laurel and Oliver Hardy ("Laurel and Hardy") following the death of the renowned comedians. The exclusive right to exploit the comedy team commercially was assigned to coplaintiff Larry Harmon Pictures Corporation by Stan Laurel during his lifetime, by Oliver Hardy's widow and sole heir under Hardy's will, Lucille Hardy Price, and by Laurel and Hardy's production company, Laurel and Hardy Feature Productions. Several years later, when the *Price* defendants sought to utilize the name and likenesses of Laurel and Hardy, the owners sued. The district court

[10] We do note, however, dicta from a recent appellate division opinion, *Lombardo* v *Doyle, Dane & Bernbach*, 58 A.D.2d 620, 396 N.Y.S.2d 661 (2d Dept. 1977), to the effect that "while a cause of action under the Civil Rights Law is not assignable during one's lifetime and terminates at death, the right to publicity, e.g., the property right to one's name, photograph and image is under no such inhibition."

held that the deaths of the actors did not extingish the right of publicity held by the grantee of the right. This conclusion was found to be inherent in the distinction between the right of publicity and the right of privacy:

> Since the theoretical basis for the classic right of privacy, and of the statutory right in New York, is to prevent injury to feelings, death is a logical conclusion to any such claim. In addition, based upon the same theoretical foundation, such a right of privacy is not assignable during life. When determining the scope of the right of publicity, however, one must take into account the purely commercial nature of the protected right. Courts and commentators have done just that in recognizing the right of publicity as assignable. There appears to be no logical reason to terminate this right upon death of the person protected.

400 F.Supp. at 844. In sum, we hold that Boxcar's exclusive right to exploit the Presley name and likeness, because exercised during Presley's life, survived his death.[11] The right was therefore validly transferred to Factors following Presley's death.

Pro Arts' final argument is that even if Factors possesses the exclusive right to distribute Presley memorabilia, this right does not prevent Pro Arts from publishing what it terms a "memorial poster" commemorating a newsworthy event. In support of this argument, Pro Arts cites *Paulsen* v. *Personality Posters, Inc.*, 59 Misc.2d 444, 299 N.Y.S.2d 501 (Sup. Ct. 1968), a case arising out of the bogus presi-

[11] Because the right was exploited during Presley's life, we need not, and therefore do not, decide whether the right would survive the death of the celebrity if not exploited during the celebrity's life.

dential candidacy of the television comedian Pat Paulsen. Paulsen sued defendant for publishing and distributing a poster of Paulsen with the legend "FOR PRESIDENT." The court refused to enjoin sale of the poster because Paulsen's choice of the political arena for satire made him "newsworthy" in the First Amendment sense. We cannot accept Pro Arts contention that the legend "IN MEMORY . . ." placed its poster in the same category as one picturing a presidential candidate, albeit a mock candidate. We hold, therefore, that Pro Arts' poster of Presley was not privileged as celebrating a newsworthy event.

In conclusion we hold that the district court did not abuse its discretion in granting the injunction since Factors has demonstrated a strong likelihood of success on the merits at trial. Factors possesses the exclusive right to print and distribute Elvis Presley memorabilia, a right which was validly transferred to it from Boxcar following Presley's death. Pro Arts infringed this right by printing and distributing the Elvis Presley poster, a poster whose publication was not privileged as a newsworthy event.

We affirm the action of the district court and remand for further proceedings.

APPENDIX D

Judgment of the Court of Appeals

UNITED STATES COURT OF APPEALS

FOR THE SECOND CIRCUIT

At a Stated Term of the United States Court of Appeals, in and for the Second Circuit, held at the United States Courthouse in the City of New York, on the twenty-seventh day of June one thousand nine hundred and seventy-eight.

Present:

HON. STERRY R. WATERMAN
HON. JOE INGRAHAM
HON. WALTER R. MANSFIELD
Circuit Judges.

FILED
JUN 28 1978
A. DANIEL FUSARO
Clerk

FACTORS ETC., INC. and BOXCAR ENTERPRISES, INC.,

Plaintiffs-Appellees,

—v.—

PRO ARTS, INC. and STOP AND SHOP COMPANIES, INC.,

Defendants-Appellants.

Appeal from the United States District Court for the Southern District of New York.

Appendix D

This cause came on to be heard on the transcript of record from the United States District Court for the Southern District of New York, and was argued by counsel.

ON CONSIDERATION WHEREOF, it is now hereby ordered, adjudged, and decreed that the Order of said District Court be and it is hereby affirmed in accordance with the opinion of this court with costs to be taxed to the appellant.

A. DANIEL FUSARO
Clerk

By s/ ARTHUR HELLER
Deputy Clerk

DOCKETED AS A JUDGMENT #78,1144 ON July 26, 1978
A true copy
A. DANIEL FUSARO
Clerk

by SARA PIOVISE
Deputy Clerk

APPENDIX E

Order Extending Time to File Petition for Writ of Certiorari

SUPREME COURT OF THE UNITED STATES

No. A-236

PRO ARTS, INC., *et al.*,
Petitioners,

—v.—

FACTORS ETC., INC., *et al.*

UPON CONSIDERATION of the application of counsel for petitioners,

IT IS ORDERED that the time for filing a petition for writ of certiorari in the above-entitled cause be, and the same is hereby, extended to and including October 25, 1978.

/s/ LEWIS F. POWELL, JR.
Associate Justice of the Supreme Court of the United States

Dated this 5th day of September, 1978.

APPENDIX F

Applicable Provisions of the United States Constitution

ARTICLES IN ADDITION TO, AND AMENDMENT OF THE CONSTITUTION OF THE UNITED STATES OF AMERICA . . .

ARTICLE [I.]

Congress shall make no law . . . abridging the freedom of speech, or of the press . . . .

ARTICLE XIV

SECTION 1. . . . No State shall make or enforce any law which shall abridge the privileges or immunities of citizens of the United States . . . .

APPENDIX G